

HOUSE BILL 1598
By Fitzhugh

AN ACT to amend Tennessee Code Annotated, Title 3; Title 4 and Title 9, relative to funding of governmental operations.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 9-4-5304, is amended by deleting that section in its entirety and by substituting instead the following language:

§ 9-4-5304. For any bill requiring increased expenditures by cities and counties in an amount exceeding that level established in § 9-4-5302, the general assembly shall follow the procedure established in this section in meeting the requirement that the state share in the cost of such bill:

(1) A fiscal note prepared by the fiscal review committee shall be furnished indicating the fiscal effect of such bill and whether or not such legislation imposes an increased expenditure requirement on cities and counties;

(2) If the legislation imposes an increased expenditure requirement on cities or counties, then such legislation shall be amended in committee to indicate the state share of such expenditure;

(3) The sponsor of such legislation shall cause an amendment to the general appropriations act to be prepared to fund the state share and shall present such amendment to the standing committee to which such legislation is referred and to the finance, ways and means committees or on the floor of the senate or the house of representatives when the general appropriations act is being considered;

(4) Such amendment to the general appropriations act shall state the amount appropriated to fund the state share; and

(5) Such bill shall be funded either:

(A) By a new revenue source or an increase in an existing source of revenue enacted prior to enactment of the appropriations act in an amount sufficient to fund the state share of the cost of such bill, as determined by the fiscal review committee; or

(B) By a reduction in appropriations for other programs in an amount sufficient to offset the state share of the cost of such bill, as determined by the fiscal review committee.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.